

Appendix table 2-45.

Budgetary impact of the Federal research and experimentation tax credit: FYs 1981-99

(Millions of dollars)

Year	Outlay equivalent cost of credit (current \$) ^a	Total Federal R&D outlays (current \$)	Ratio of credit outlays to R&D (%)	Outlay equivalent cost of credit (constant \$) ^a
1981	205	32,459	0.63	314
1982	640	34,391	1.86	917
1983	1,010	36,659	2.76	1,384
1984	3,360	39,691	8.47	4,433
1985	2,430	44,171	5.50	3,099
1986	2,295	50,609	4.53	2,847
1987	2,715	51,612	5.26	3,275
1988	1,240	54,739	2.27	1,445
1989	1,590	59,450	2.67	1,779
1990	1,625	62,135	2.62	1,744
1991	1,070	61,130	1.75	1,101
1992	1,850	62,934	2.94	1,850
1993	1,900	65,241	2.91	1,852
1994	2,110	66,151	3.19	2,008
1995	1,820	66,371	2.74	1,691
1996	1,245	65,910	1.89	1,134
1997	1,360	68,897	1.97	1,216
1998	3,270	69,849	4.68	2,889
1999	2,550	71,112	3.59	2,225

NOTES: Tax expenditure estimates are prepared by the U.S. Treasury Department, based on the income tax law enacted as of December 31 of the year for which the expenditures are reported. Expenditures for the years 1998-99 are estimated based on the income tax law enacted as of December 31, 1998. See appendix table 2-1 for GDP implicit price deflators used to convert current dollars to constant 1992 dollars.

^a "Outlay equivalent" estimates are comparable to taxable outlay figures reported in the budget. This allows for a comparison of the resource cost of the tax credit with the cost of direct federal R&D expenditure support.

SOURCE: U.S. Office of Management and Budget, *Budget of the United States Government* (Washington, DC: U.S. Government Printing Office, annual series).

See figure 2-10 in Volume I.

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